

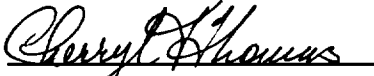
**EMPLOYER STATUS DETERMINATION**  
**Rail-Ways, Inc.**

**OCT 27 1999**

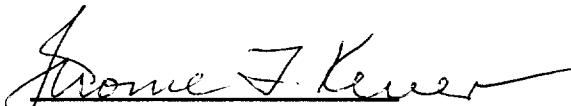
This is a determination of the Railroad Retirement Board concerning the status of Rail-Ways, Inc. (RWI) as an employer under the Railroad Retirement Act (45 U.S.C. § 231 et seq.) (RRA) and the Railroad Unemployment Insurance Act (45 U.S.C. § 351 et seq.) (RUIA).

Information regarding RWI was provided by Mr. John A. Darling, CEO and President of RWI. According to Mr. Darling, RWI began rail operations and first compensated its employees on February 23, 1998. In 1998, RWI entered into a contract agreement with North Coast Railroad Authority, d/b/a Northwestern Pacific Railroad (NPR) (B.A. No. 3783). According to the agreement and Mr. Darling, RWI provides services on 170.5 miles of rail line with terminal points located in Schellville, Petaluma, and Willits, California. RWI, as NPR's agent, handles approximately 350 carloads of freight each month. Mr. Darling further stated that RWI also provides maintenance and construction services to NPR. Mr. Darling stated that RWI interchanges with Union Pacific Corporation (B.A. No. 1713). Mr. Darling also stated that in addition to its services to NPR, RWI provides economic, marketing, engineering, and other consulting services to Class I railroads, railroad shippers, and other railroad professionals. Recent clients have included Norfolk Southern Corporation (B.A. No. 9408), Kansas City Southern Railway (B.A. No. 1806), Gateway Western Railroad (B.A. No. 3771).

The evidence of record establishes that RWI is a carrier operating in interstate commerce. Accordingly, it is determined that Rail-Ways, Inc. became an employer within the meaning of section 1(a)(1)(i) of the Railroad Retirement Act (45 U.S.C. § 231(a)(1)(i)) and the corresponding provision of the Railroad Unemployment Insurance Act effective February 23, 1998, the date on which it began railroad operations and its employees were first compensated.

  
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